August 24, 2016 Board Hearing

Montezuma Well Service, Inc. Recapture Brine Disposal Facility

Docket No. 2009-015 Cause No. WD-04-2009



History of the Recapture Brine Disposal Facility

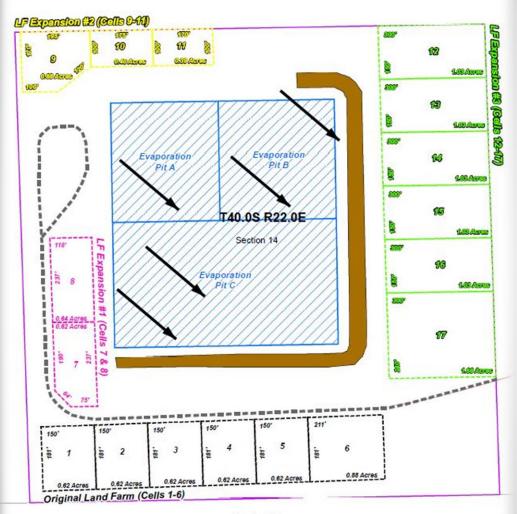
1985 Permitted by the Health Department

1987 permit transferred to Division of Oil, Gas and Mining

1992 facility sold to MWS

2008 Division Order Issued

2009 to current Board Action



Montezuma Well Service

Recapture Brine Disposal Facility Layout

Section 23



Milestones

2010 Land Farm Cells 1-6 filled

2011 Land Farm Cells 7-8 filled

2012 Land Farm Cells 9-11 filled

2013 Oil Burn Pit cleaned and backfilled

2014 Clean up levels met in Land Farm Cell 1

2015 All Land Farm cells full, oily solids removed from Pit A

2016 Materials in all Land Farm cells being worked

November 2015

July 2016





Land Farm Cell #15





Land Farming is farming for microbial activity

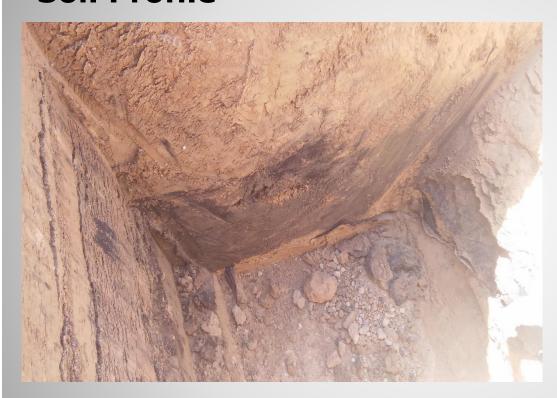
Limited by same constraints as traditional agriculture farming:

- -Moisture
- -Temperature
- -Nutrients

Arid regions of Utah narrow windows for adequate moisture

Ambient soil temperature suppresses microbial activity in the winter months

Test Hole Soil Profile



Flipped Clod



Why has Total Petroleum Hydrocarbon Levels Risen in some recent samples?



Since 2009 to present MWS has displayed good faith effort in cleaning up the oil burn pits, Pit A and working Land Farm Cells.

- Continue matter for one year
 - Annual sampling of all Land Farm cells 2017
 - Quarterly work Land Farm cells 2017
- MWS will continue to provide dedicated equipment and employees to work land farm
- Division will continue to coordinate with MWS to improve procedures and practices to maximize efficiency of the Land Farm
- Extend approval to accept shipments of E&P waste water into Pit B up to 50% of the depth
 - Montezuma will continue to pay \$.25/barrel into existing Cash/Business Savings Account
 - Montezuma will continue to provide monthly reports

Division Recommendation

Questions?